



MEMORANDUM OF UNDERSTANDING
between
THE CITY OF MONTEREY PARK, CALIFORNIA
and
THE MONTEREY PARK MID - MANAGEMENT ASSOCIATION

July 1, 2015 – June 30, 2017

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and
THE MONTEREY PARK MID - MANAGEMENT ASSOCIATION

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PREAMBLE

This memorandum has been prepared in accordance with the California Government Code (Section 3500 et seq.). The City of Monterey Park, California, hereinafter referred to as the "City", and the Monterey Park Mid-Management Association, hereinafter also referred to as the "Association" or "Recognized Employee Organization," have reached this Memorandum of Understanding pursuant to meeting and conferring in good faith.

ARTICLE 1: SCOPE OF MEMORANDUM OF UNDERSTANDING

It is the intent and purpose of this Memorandum to assure sound and mutually beneficial working and economic relations between the parties hereto to provide an orderly and peaceful means of resolving any misunderstandings or differences which may arise, and to set forth herein the basic and full agreement between the parties concerning wages, hours of employment, and other conditions of employment.

ARTICLE 2: RECOGNITION

The City hereby acknowledges the Monterey Park Mid-Management Association as the representative for the Mid-Management employees of the City of Monterey Park, California, for the purpose of meeting and conferring in good faith regarding wages, hours, and other terms and conditions of employment.

This Memorandum shall cover all Mid-Management employees as outlined in Addendum A.

ARTICLE 3: CITY RESPONSIBILITIES AND RIGHTS

- A. To ensure that the City is able to carry out its statutory functions and responsibilities, the following matters will not be subject to the terms of this Memorandum but shall be within the exclusive discretion of the City: to select and determine the number and types of employees required; to assign work to employees in accordance with the requirements determined by the City; to establish and change work schedules and assignments; to hire, transfer, and to promote or to lay off employees for lack of work and for all other legitimate reasons; to suspend, discipline, or discharge employees for just cause; to expand or diminish services; to subcontract for any work or

operations; to determine and change methods of operations; to determine and change, at its sole discretion, the number of locations, relocations and types of operations and the processes and materials to be employed.

- B. Except in emergencies, or where the City is required to make changes in its operations because of the requirements of law, whenever the exercise of management's rights shall impact on employees of the bargaining unit, the City agrees to meet and confer with representatives of the Association, upon request by the Association, regarding the impact of the exercise of such rights, unless the matter of the exercise of such rights is provided for in this Memorandum of Understanding, Personnel Rules and Regulations or Salary Resolutions.

ARTICLE 4: EMPLOYEE AND/OR EMPLOYEE REPRESENTATIVES

- A. During the life of this Memorandum, all employees, as described above in Article 2, shall have the right to join the Monterey Park Mid-Management Association, or to refuse or refrain from joining said organization.
- B. Subject to Section F, below, members of the Association may, by any reasonable method, select four (4) employee members to meet and confer with the City Representative Committee or other management officials on subjects within the scope of representation during the regular duty or work hours, without loss of time, provided:
 - 1. That no employee representative shall leave duty, work station or assignment without specific approval by an authorized departmental management official.
 - 2. That any such meeting is subject to scheduling by an authorized departmental management official so as to avoid interference with, or interruption of, assigned work schedules or work performance.
- C. The City will deduct dues and/or initiation fees from those employees who voluntarily sign and have submitted to the City the necessary authorization cards.
- D. Deductions, as authorized in writing by the employee, shall be deducted from earned wages on each payday of each month. The City shall forward to the Monterey Park Mid-Management Association, at each pay period, all dues and/or initiation fees deducted from the employees.
- E. Representatives of the Association, after permission by the Department Director or his/her designated representatives may enter City properties for the sole purpose of transacting business of the Recognized Employee Organization; provided, however, that such business does not interfere with the work or training of the employees or City operations. If, however, said parties are not available, then permission must be obtained from the City Manager or his/her designated representative.

- F. Pursuant to Government Code Section 3505.3, the City shall allow a reasonable number of City employee representatives of the Association reasonable time off without loss of compensation or other benefits when formally meeting and conferring with representatives of the City on matters within the scope of representation. Therefore, the parties agree that no more than four (4) Association representatives shall be deemed a reasonable number of representatives that shall be provided reasonable time off to engage in the meet and confer process with representatives of the City. However, the Department Director(s) or his/her designee(s) has authorization to deny use of release time by any Association representative when, in the sole judgment of the Department Director(s), release of the representative(s) may reasonably be expected to cause or contribute to an unreasonable delay in the provision of services on behalf of the Department.
- G. Release of representatives of the Association to participate in non-meet and confer activities of the Association, such as grievance representation and participation in Association meetings during scheduled work hours shall be governed by the release rules and regulations set forth in paragraph F, above. However, City representatives may confine non-meet and confer related release time to less than four (4) Association representatives. The number of employees to be released in such circumstances shall be at the sole discretion of the City representative.
- H. Any Association representative validly participating in Association activities during the employee's scheduled hours of work shall suffer no deduction in compensation as a result of participation in the Association activities. However, participation in Association activities shall not be considered as time worked and shall not entitle any Association representatives to overtime or other compensation in excess of that regularly paid to the employee.
- I. A written list of the Officers of the Association and the Employee Representatives shall be furnished to the Director of Human Resources and Risk Management immediately after their designation and the Association shall notify the Director of Human Resources and Risk Management promptly in writing of any changes of such Officers or Representatives.

ARTICLE 5: COMMUNICATIONS

Space shall be provided on City bulletin boards for the posting of the following notices of immediate concern to the employee organization members including, but not limited to, the following:

1. Association recreational and social activities.
2. Association election notices and results.
3. Association meetings and events.

**ARTICLE 6: CONTINUED PERFORMANCE OF
CITY SERVICES AND OPERATIONS**

- A. The Association hereby agrees that during the term of this Memorandum, the employees of the City, as set forth in Article 2, Addendum A, the officers and/or agents of the Association shall not engage in, encourage, sanction, support, authorize, or suggest any work stoppages, strikes, boycotts, slowdowns, mass resignations, mass absenteeism, picketing, or any other intentional interference of work of the City.
- B. In the event any employee, or employees, participates in any such activities as set forth above, the Association shall notify such employee, or employees so engaged, to cease and desist from such activities and shall instruct said person, or persons, to return to their normal work assignment and duties.
- C. The employee, or employees, participating in such activities as set forth in Sections A and B above shall be subject to disciplinary action by the City, including suspension or discharge, in accordance with the City's Personnel Rules and Regulations.

ARTICLE 7: GRIEVANCE PROCEDURE

Except as modified herein, the Grievance Procedure shall be governed by Personnel Rule XV, Disciplinary Proceedings, Sec. 6, Grievances, which is outlined as follows:

The presentation and hearing of all employee grievances shall be governed by the following rules:

- A. A grievance shall be defined as an alleged violation of a specific provision of this Memorandum of Understanding, the City Personnel Rules and Regulations, or of the Rules and Regulations validly propagated by any department within the City, or State Law governing conditions of employment. The grievance procedure shall not be utilized by an employee to contest the content of a performance evaluation, verbal or written reprimands, or other documentation regarding the employee's work performance, which is not defined as "disciplinary action" by Rule XV of the City Personnel Rules and Regulations.

Discipline shall be imposed in such a manner as to not violate the FLSA as regards "exempt" employees.

- B. All grievances shall be filed in writing with the immediate supervisor of the person aggrieved within fifteen (15) calendar days after the employee knows, or in the exercise of reasonable diligence, would have known, of the occurrence in question.
- C. Written notice of disposition of the grievance shall be filed with the next higher administrative authority by the supervisor with whom the grievance was originally

filed. Such notice shall be filed within fifteen (15) calendar days of the original filing of the grievance.

- D. If satisfactory redress is not obtained by the employee from the immediate supervisor, the grievance may be appealed in writing through the normal administrative organization: that is, first to the Division Chief; second, the Department Director and third, the City Manager. In each case, a written notice of disposition must be forwarded to the grievant and to the next higher authority within fifteen (15) calendar days of receipt of the employee's written grievance.
- E. The City Manager shall be the final authority in all cases except those in which a violation of the Personnel Ordinance or Rules is alleged. The City Manager shall forward notice of disposition of such grievance to the grievant within fifteen (15) calendar days of receipt of the employee's written grievance.
- F. In the case of those grievances in which a violation of the Personnel Ordinance or Rules is alleged, an employee may appeal to the Personnel Board after the procedures set forth above have been exhausted.

Such appeals will be filed in writing with the Director of Human Resources and Risk Management who will cause them to be brought to the attention of the Board. The Board will review such appeals and determine whether an investigation and/or hearing should be held. This preliminary consideration of an appeal will not constitute a hearing by the Board. Within ten (10) calendar days after concluding a hearing pursuant to this section, the Personnel Board shall certify its findings and decision in writing to the City Council, to the City Manager, and to any other official from whose action the appeal is taken, and to the affected employee.

Recommendations by the Board for redress of grievances will be addressed to the City Manager and shall be advisory in nature.

ARTICLE 8: OVERTIME

Except as modified herein, overtime for eligible non-exempt managers/supervisors shall be governed by Personnel Rule V. Compensation, Sec. 3 Overtime, Sec. 3a General Government Employees, which is outlined as follows:

- A. Work Period Defined - Work performed in excess of forty (40) hours per work period shall be classified as overtime work. A work period is a regular recurring period of 168 hours in the form of seven consecutive 24-hour periods.
 - 1. The work period for employees working a regular 5/40, Monday through Friday schedule begins on Saturday at 0001 hours and terminates at the end of the following Friday at midnight. Work performed during the work period includes vacation, sick leave, holiday, and compensatory time off, provided

that they do not fall within a workday when work is actually performed. A workday is a regular recurring period of eight hours within a twenty-four hour period. For shift workers, the work period shall be defined in such a manner as to comply with FLSA work period requirements.

2. The work period for employees working a "9/80" work schedule shall be defined in such a manner as to comply with FLSA work period requirements. The "9/80" schedule provides eighty (80) scheduled hours in a 14 day (two week) cycle where (1) one week the employee works four 9-hour workdays and one 8-hour workday, and (2) the subsequent week consists of four 9-hour workdays with one day off. The work period for FLSA overtime purposes shall be established as four hours into the shift of the eight-hour day and in such a manner that no consecutive seven-day (168 hour) period shall exceed forty (40) hours. Management shall maintain the right to schedule employees' workdays, start and end times, and establish FLSA work periods.
- B. Overtime worked shall be compensated by either compensatory time off at a time requested by the employee, and agreed to by the Department Director, equal to one and one-half times the time worked, or by cash payment of one and one-half times the employee's regular hourly rate.
 - C. Emergency work shall be paid at the rate of two hours pay for the first hour worked, or any portion thereof, and time and a half for all time worked in excess of one hour. In lieu of such payment, the employee may receive compensatory time off of not less than two hours off for the first hour worked and time and a half hours off for work in excess of one hour, if the employee requests time off and the request is approved by the employee's Department Director. "Emergency work" is work performed by an employee at a time other than the employee's regular working hours to deal with a sudden and unexpected turn of events calling for immediate action in response to a call for such work by a Department Director or any other person so authorized by the City Manager.
 - D. An employee required to work a scheduled or planned call back shall be credited with a minimum of two hours of work if the call back assignment requires less than two hours.
 - E. Accumulated compensatory time off in excess of forty (40) hours will be paid off in cash on the first payroll date following December 1 of each year.
 - F. Non-Exempt employees who are regularly scheduled to work on a holiday or who are assigned to work on a holiday because of a foreseeable City need for their services, shall receive time and one-half payment for the holiday worked and accrue eight (8) hours holiday time (i.e., Special Event requirements, parades, etc.). Exempt employees who are assigned to work on a holiday shall receive straight time pay in addition to accruing 8 hours holiday time.

ARTICLE 9: ADMINISTRATIVE LEAVE

- A. Administrative leave shall only be given to positions that are FLSA exempt and are, therefore, not eligible for overtime.
- B. During the term of this agreement, FLSA exempt employees, who are regularly required to attend evening meetings or work additional hours, shall receive 40 hours of Administrative Leave, each July 1st, in addition to flex time for extraordinary assignments. Administrative Leave shall have no monetary value, nor shall it be carried over from one fiscal year to the next.
 - 1. FLSA exempt employees who have been designated by their Department Director, with the approval of the City Manager, may receive an additional 16 hours each fiscal year of Administrative Leave. This additional Administrative Leave shall be granted utilizing the following criteria: employee is regularly required or expected to attend City Council, City Commission or other City related functions that occur after normal business hours and/or the Department Director determines that the employee is consistently required to work hours beyond the normal business hours to the extent that the additional hours are justified.
 - 2. Effective October 1, 2011, any current Administrative Leave hours shall be moved into a separate account and shall be subject to existing provisions for use and cash out upon retirement.
- C. The times during the fiscal year at which an employee may take his/her administrative leave shall be determined by the Department Director with due regard for the wishes of the employee and the needs of the service. Eligibility for this leave shall not be predicated upon first having all vacation and sick leave exhausted. Administrative leave may be utilized at any time during the fiscal year.
- D. Employees requesting to utilize their administrative leave shall complete a Leave of Absence request form and forward the approved form to payroll. The Management Services Department shall maintain records of accrued administrative leave hours and the Human Resources Department shall maintain records of FLSA exempt employees eligible to earn or utilize administrative leave time in conformity with the guidelines set forth within this Article.

ARTICLE 10: VACATION

- A. Accrual of, and eligibility to utilize, vacation shall commence upon date of employment.
- B. Effective September 30, 2012, earned vacation shall not be accumulated in excess of

500 hours. Any hours in the member's vacation account on September 30, 2012 in excess of 300 hours shall be placed in a separate bank for future use, (i.e.- actual vacation time, cash out, as authorized, or it may remain in the bank until the employee retires, with no requirement to use this time prior to using the employee's primary bank).

- C. It is the intent and purpose of this vacation policy that all unit members avail themselves of accrued vacation time in order to promote a safe and productive working environment. However, the parties do recognize that personal circumstances and/or the staffing requirements of any given department may periodically impact the ability of a unit member to utilize any or all of his/her annual vacation accrual. Therefore, it is the policy of the city that no unit member may accrue greater than 500 vacation hours. Upon accrual of 500 vacation hours after September 30, 2012, no unit member shall accrue any additional vacation hours nor be compensated for any vacation hours in excess of 500 unless and until utilization of accrued vacation time results in the employee's vacation account totaling less than 400 hours.
- D. In the event one or more municipal holidays fall within an annual vacation leave, such holidays shall not be charged as vacation leave.
- E. The times during the calendar year at which an employee may take his/her vacation shall be determined by the Department Director with due regard for the wishes of the employee, the employee's accumulated vacation credits, and with particular regard for the needs of the service.
- F. At the sole discretion of the City Manager, special consideration may be given to an employee's written request to accumulate vacation credits in excess of the maximum allowable vacation balance of 500 hours. Only in exceptional circumstances shall an employee be allowed to exceed the maximum vacation accrual. Any approval to accrue in excess of the accrual cap requires a written request from the Department Director to the City Manager stating that the employee will not be authorized to utilize vacation prior to reaching the accrual cap because of Department staffing requirements.
- G. Basic Plan - Upon commencement of employment, vacation leave with pay shall be granted each regular employee at the rate of 80 hours each year.

Additional Vacation - Additional vacation leave with pay shall be granted each regular employee at the rate of 8 hours each year, beginning with the commencement of the employee's sixth (6th) anniversary. Maximum vacation per year (basic plan plus additional vacation days) is 200 hours.

ARTICLE 11: SICK LEAVE

- A. Sick leave with pay shall be granted to every full time employee (excluding a per diem or hourly employee) who has been continuously employed for a period of time

in excess of 30 days. Such sick leave shall be granted by the appointing authority at any time after 30 days of employment at the rate of one workday for each full calendar month of continuous employment with the City, including time served in a probationary status.

- B. Sick leave shall not be considered as a privilege, which an employee may use at his/her discretion, but shall be allowed only in the case of necessity and actual sickness or disability incurred on or off the job.
- C. Sick leave shall be accumulated at the rate of 7.33 hours for each full month of service, or 88 hours per year. Effective October 1, 2011, for current employees, any existing sick leave balance shall be placed into a separate leave bank (Bank No. 1) and hours in that bank shall be subject to existing retirement cash out provisions described in paragraph H.1, H.2 and H.3 below.
 - 1. Effective October 1, 2011, no unit member shall accrue sick leave in excess of 800 hours.
 - 2. Employees who retire with more than 10 total years of city service shall be eligible to "cash out" accrued sick leave in the "new" sick leave account at the rate of 10 hours for each one year (12 full months) of city service. City service, for the purposes of determining how many hours an employee would be eligible to cash out, shall be calculated beginning with October 1, 2011.
- D. Concurrent with creation of Bank No. 1 above, there shall be created a second sick bank (Bank No. 2) that shall have a balance of zero (0) at its inception. Sick hours accumulated on or after October 1, 2011 shall be deposited in Bank No. 2 but, as indicated above, in no case shall said accumulation in Bank No. 2 exceed 800 hours.
- E. Sick usage shall first be deducted from Bank No. 2.
- F. In order to receive compensation while absent on sick leave, the employee shall notify his/her immediate supervisor, or the Director of Human Resources and Risk Management, prior to the time set for the beginning of his/her daily duties or as specified by the Director of his/her department. A supervisor may require an employee to submit a physician's statement of illness or other satisfactory verification of illness after three days absence for illness. Following three (3) days of absence, a supervisor may require of the employee that they submit a health care provider's certificate indicating they are capable of returning to duty.
- G. The City Manager may, at any time, in order to receive further information with respect to the competency of the employee to perform his/her job duties, require such employee to submit to a medical examination, either physical or mental, at the expense of the City.

Refusal of an employee to submit to such medical examination will constitute insubordination and grounds for disciplinary action.

- H. Sick Leave Reimbursement Plan – Subject to the changes described in paragraph D above, the City shall continue the plan for reimbursement of the unused balance of accrued sick leave earned prior to October 1, 2011, in the following manner:

SICK LEAVE BANK NO. 1:

1. Upon service or disability retirement of an employee, the City will pay to the employee an amount equal to 50% of the individual employee's accumulated sick leave account in Bank No. 1. In addition, the City contracts with PERS for the Sick Leave Credit option.
 - a. Upon death of an employee prior to retirement, the City will pay to the employee's designated beneficiary, an amount equal to 50% of the employee's accumulated sick leave balance in Bank No. 1

SICK LEAVE BANK NO. 2:

2. Effective October 1, 2011, sick leave for all bargaining unit members shall be “capped” at 800 hours in Sick Leave Bank No. 2. Employees who retire with more than 10 total years of city service shall be eligible to “cash out” accrued sick leave in the “new” sick leave account at the rate of 10 hours for each one year (12 full months) of city service. City service, for the purposes of determining how many hours an employee would be eligible to cash out, shall be calculated beginning with October 1, 2011.
 3. Effective July 1, 2000, upon voluntary resignation, the City will pay to the employee an amount equal to 25% of the employee's accumulated sick leave balance, provided that the employee's sick leave utilization rate has not exceeded 33% of the annual accrual rate in the preceding five years, excluding sick leave hours cashed out pursuant to the provisions of this MOU, utilized for donations or membership in the Catastrophic Leave Bank.
- I. Catastrophic Leave Bank. Effective July 1, 2005, all regular employees covered by this Agreement will be enrolled in the Catastrophic Leave Bank as described in Administrative Policy 30-10. The City will annually contribute eight (8) hours of sick leave on behalf of each eligible employee. Probationary employees are not eligible for participation in the Catastrophic Leave Bank program, but will be enrolled upon completion of probation.

ARTICLE 12: CASH OUT OF ACCRUED LEAVE

Association members may elect to annually, during any fiscal year, cash out up to one hundred twenty (120) hours per year of either vacation, sick, and holiday leave or a combination thereof. Sick leave eligible for cash out shall be from Sick Leave Bank No. 1, as described in Article 11 above. Hours accumulated in Sick Leave Bank No. 2 shall not be

eligible for an annual cash out.

Cash out of accrued time shall be at the employee's option. Requests for cash out are to be submitted in a manner prescribed by the City.

ARTICLE 13: BEREAVEMENT LEAVE

- A. Each employee covered by this agreement may be granted bereavement leave at the discretion of the employee's Department Director whenever death occurs to a member of the employee's immediate family. Bereavement leave may not exceed three (3) working days, however, if travel outside the State of California, or within the State of California, but extending beyond a distance of 300 miles from Monterey Park is necessary, bereavement leave may be extended to a total of five (5) working days. Bereavement Leave shall be charged to a separate, paid leave account.
- B. Immediate family, for the purpose of bereavement leave, shall include: spouse, father, father-in-law, mother, mother-in-law, child, stepchild, grandparents, grandchildren, brother or sister of the employee.

ARTICLE 14: FAMILY SICK LEAVE

- A. An employee with regular status may be granted emergency sick leave or family sick leave at the discretion of the employee's Department Director whenever serious illness or injury occurs to a member of the employee's immediate family.
- B. Emergency and family sick leave will be charged to sick leave.
- C. Immediate family, for the purpose of emergency or family sick leave, shall be defined as in Article 13 - Bereavement Leave.
- D. Serious illness, for the purpose of emergency sick leave, shall be defined as an emergency situation, in that the family member - injured or ill - requires hospitalization and/or immediate medical attention and treatment by a physician. The employee is expected to make suitable arrangements for the care of the injured or ill family member as soon as practicable following the actual emergency.
- E. Family illness shall be defined as a situation which requires an employee to take care of a family member who is ill or has a scheduled appointment with a health care professional.
- F. Should the need for family leave under the terms of this Article exceed six working days per occurrence, the employee shall make application for leave under authority of the Family and Medical Leave Act (FMLA) and any continued approval for leave shall be governed by provisions contained therein.

- G. In order to receive compensation while absent on family or emergency sick leave, the employee shall receive verbal approval from their Department Director or her/his authorized representative.
- H. In the event that an employee has less than six accumulated sick leave days, family sick leave can be granted only to the extent of the employee's accumulated sick leave account balance.

ARTICLE 15: MILITARY LEAVE

Military Leave of Absence shall be granted in accordance with provisions of the City of Monterey Park's Personnel System Rules and Regulations, Administrative Policy 30-14 and as defined in Section 395 et. seq. of the Military and Veteran's Code of the State of California.

An employee who is granted either a temporary military leave or other military leave while serving a probationary period must complete the remainder of the probationary period upon his reinstatement. The leave period will not reduce the length of the probationary period or offset any portion of the probationary period.

ARTICLE 16: JURY DUTY

- A. An employee of the City who is required to participate as a juror or required to participate in the jury selection process, shall be paid up to and including ten (10) days of salary and benefits during each fiscal year while engaged in such activities. Compensation shall extend beyond ten (10) days only upon provision to the City of a certified court document showing that trial counsel and/or the court estimated the trial for which an employee has been selected as a juror, to be of ten (10) or less days in duration.
- B. Under such circumstances, the employee shall receive his/her regular salary while on such leave, provided that the employee remits to the City any payments or fees received as a witness. The employee shall be allowed leave with pay during the period of such service. While the employee is receiving his/her salary, any court or State jury fees, exclusive of mileage reimbursement, shall be remitted to the City by the employee.
- C. The employee shall advise the Director of Human Resources and Risk Management upon receiving a court order to appear for the initial examination as a prospective juror or subsequently to serve as a juror. The granting of such leave with pay shall be subject to the approval of the City Manager.

ARTICLE 17: LEAVE OF ABSENCE

Leave of Absence shall be governed by Personnel Rule XI, Attendance and Leaves, Sec. 4, Leave of Absence, of the Personnel Rules and Regulations of the City of Monterey Park which is outlined as follows:

- A. The City Manager may grant a regular employee leave of absence without pay for a period not to exceed ninety (90) days.
- B. No such leave shall be granted except upon written request of the employee.
- C. Approval shall be in writing and a copy filed with the Director of Human Resources and Risk Management.
- D. The City Council may grant a regular employee leave of absence without pay for a period not to exceed one year.
- E. Upon expiration of a regularly approved leave, or within a reasonable period of time after notice to return to duty, the employee shall be reinstated to the position held at the time leave was granted. Failure on the part of an employee on leave to report promptly at its expiration, or within a reasonable time after notice to return to duty shall be cause for discharge.

ARTICLE 18: HOLIDAYS

- A. Municipal offices, including the Library, and with the exception of the Police and Fire Department facilities, shall be closed on the following holidays:

New Year's Day	Labor Day	Day after Thanksgiving
Washington's Birthday Third Monday in February	Veteran's Day	Christmas Eve Day
Martin Luther King, Jr. Third Monday in January	Independence Day	Christmas Day
Memorial Day Last Monday in May	Thanksgiving Day	New Year's Eve Day

Represented employees shall receive one floating holiday. Holiday hours shall be accrued during the pay period in which the holiday occurs.

All designated holidays are nine (9) hours in duration and employees will receive nine hours credit in the employee's holiday bank, or if a holiday lands on a Saturday or Sunday, the employee's holiday bank shall be credited eight (8) hours as described in the following paragraph.

Effective April 1, 2014, members shall be afforded thirteen (13) holidays. One floating holiday will be eliminated in exchange for the City implementing holidays capped at nine (9) hours credit. Any employees working a shift in excess of nine hours will use their vacation or holiday leave balance to account for their full shift for a holiday.

- B. The employee shall be subject to two (2) separate holiday accumulation banks, each of which shall consist only of floating holidays. The first holiday bank (Bank No. 1) shall consist of those floating and/or minimum staff day holidays not utilized during the fiscal year 1992/93, and the total number of holidays accrued on or before June 19, 1993. The number of holidays contained within this Bank No. 1 shall not increase.
- C. The maximum "holiday" accrual shall be sixty (60) hours. Effective upon implementation of this MOU, the maximum "holiday" accrual shall be eighty hours.
- D. Holiday usage may be deducted from either of the above two (2) banks.
- E. Library employees, who are required to work a Saturday on a three-day weekend, in order to keep the Library open, shall accrue compensatory time off for actual time worked at a straight time rate.
- F. Only those employees who hold probationary or regular appointments shall receive compensation for legal holidays. However, employees holding probationary or regular appointments must be on paid status on both the workday prior to, and the workday following the holiday, in order to receive compensation for the holiday. An employee on vacation, sick leave, or other paid leave of absence is considered to be in a paid status and, therefore, would receive compensation for the holiday.

Employees who are regularly scheduled to work on a holiday or who are assigned to work on a holiday because of a foreseeable City need for their services, shall receive time and one-half payment for the holiday worked and accrue nine (9) hours holiday time, or if a holiday lands on a Saturday or Sunday, the employee's holiday bank shall be credited eight (8) hours (i.e., Special Event requirements, parades, etc.). Refer to Article 9, Section C above for employees who are required to work Emergency Call Back.

Should a holiday fall on an employee's regularly scheduled day off, that employee shall receive nine (9) hours holiday time, or if a holiday lands on a Saturday or Sunday, the employee's holiday bank shall be credited eight (8) hours subject to the maximum accrual provisions of this Article.

ARTICLE 19: AUTHORIZATION TO UTILIZE PAID LEAVE TIME

Each unit member's Department Director or his/her designee shall have sole discretion to approve or deny an employee's request to take paid leave time off (i.e. vacations, etc.). The Department Director's determination shall be based upon the service needs of the City and the leave request may be denied by the Department Director if he/she determines that utilization of leave time off will or may have a negative effect on provision of services.

ARTICLE 20: ACTING ASSIGNMENTS

Acting assignments shall be filled in the following manner (to the extent that this Article is inconsistent with the City Personnel Rules, this Article shall prevail):

- A. Need for Acting Assignments - To assure the orderly performance and continuance of municipal services, the City may be required to temporarily upgrade employees on acting basis to positions of a higher classification. For the purposes of this Article, it is understood that acting assignments may be required in order to temporarily fill position classification vacancies, which may exist for any of the following reasons:

1. A position classification is permanently vacant and is scheduled to be filled by a regular full-time employee and a limited period of time is required in order to proceed with and complete the normal appointment procedure.
2. A position classification is temporarily vacant although, permanently filled, because the regular employee is on an approved paid or unpaid leave of absence.

It is not the intent of the City to circumvent or avoid the normal employment or promotion process and therefore, the City shall make every possible and reasonable effort to fill vacancies in a most expeditious manner and to keep the need for such acting assignments to a minimum.

- B. Selection for Acting Assignments - The selection of an employee for acting assignments shall be at the sole discretion of the Department Director or his/her designee, taking into consideration the requirements of the position to be filled and the qualifications, job performance, and seniority of those employees eligible for the acting assignment. No persons shall be appointed to an acting assignment either when on probation or into a position classification more than one class level above his or her regular class in those instances where such an assignment would result in the acting employee being in a supervisory position in relation to an employee who is regularly the acting employee's supervisor. If a person is appointed to an acting assignment in a position classification more than one class level above his or her regular class and if during the term of said acting assignment, the vacant class level immediately below the acting position is filled, then the acting assignment shall terminate with the employee being restored to his/her regular position.

- C. Pay for Acting Assignments - Acting pay shall be authorized when an employee is acting in a higher level position commencing with the start of the thirtieth consecutive working day that the employee is acting in the higher level position and paid retroactively to the first day of the acting assignment. Acting pay shall be authorized at Step 1 of the position classification to which the acting assignment is made, provided that Step 1 is at least 5% higher than the base salary of the employee's regular assignment. If Step 1 is less than 5% greater, the acting appointment will be made at the first step which is greater than 5%, but is less than

10% above the base salary. No changes in employee benefits shall be granted to employees in acting assignments.

- D. Status of Employee in Acting Assignment - Time served in an acting assignment shall not be credited towards completion of a probationary test period in the acting position. Time served in an acting position shall not alter the employee's anniversary date. If the acting employee would have been eligible for a merit increase had the acting appointment not been made, the employee shall remain eligible for such merit increase with the employee's performance in both the regular and acting positions being considered.
- E. Duration of Acting Assignment - Absent exigent circumstances, a position in the competitive service shall not be filled in an acting capacity for more than six (6) consecutive months. The City shall meet and consult with the Association prior to any extension of an acting appointment beyond six months and at mutually agreeable intervals thereafter, during continuation of the acting assignment.

ARTICLE 21: BILINGUAL PAY

Association members who are capable of speaking, interpreting and, on an occasional or sporadic basis, providing limited general translation for routine correspondence (i.e., constituent letters, resident suggestions/complaints, newspaper articles, etc.) in a foreign language, as deemed useful by the City, shall receive \$50.00 per month bilingual skill pay in addition to his/her regular salary.

The City shall establish qualifying tests to determine bilingual capability and certification. Employees who become eligible for bilingual pay may be required to recertify their eligibility every four years.

To be eligible for bilingual pay, the employee must routinely and regularly use his/her translation and interpretation skills in the performance of his/her regular duties that includes customer service and public contact. Should the employee's duties change such that the use of bilingual skills is no longer required, the bilingual skill pay shall cease. Eligibility for bilingual skill pay is subject to the approval of the Department Director and Human Resources Director and their decision is not subject to appeal. Further, the number of employees to be approved as qualified to translate in any language shall be at the sole discretion of the City and such determination is not subject to any appeal.

ARTICLE 22: UNIFORM ALLOWANCE

- A. Regular Employees - Employees who are required to wear uniforms, and who receive a full clothing issue pursuant to section B of this Article, will be paid an annual uniform allowance of \$175.00 in payments. These payments of \$43.75 will be made during the months of January, April, July, and October. Effective January 2008, the annual uniform allowance shall be increased to \$300.00 per year. Payments of

\$75.00 shall be made in the months designated above.

1. Personnel assigned to the Auto Shop, who are required to wear a uniform, shall not receive a uniform allowance but, in lieu, uniforms will be provided and maintained through a uniform service vendor. Selection of uniform service vendor and uniform articles shall be at the sole discretion of the City.
2. Employees receiving uniform allowance payments may elect to use either a Uniform Service Provider or receive store "credit". Any change is to be coordinated with the Management Services Department and approved by the Department Director and the Director of Human Resources/Risk Management.

- B. Probationary Employees - A probationary employee assigned to the Water, Parks or Maintenance Service Department and who is required to wear a uniform, will be provided with the full clothing issue (5 uniforms and 1 jacket) at the time of his/her appointment. A probationary employee assigned to the Police Department and who is provided a uniform will be provided with the full clothing issue as issued other police civilian personnel as per the Police Department's uniform policy and as approved by the City Manager.

If the employee leaves, either voluntarily or involuntarily during the twelve-month probationary period, \$175.00 will be deducted from his/her final paycheck to reimburse the City for the initial clothing issue or uniform allowance.

After the employee has completed twelve (12) months of service, the employee will then be entitled to receive the next quarterly clothing allowance.

- C. Uniform Replacement - An employee who damages or destroys his/her uniform while performing City services shall be reimbursed for the replacement cost of the uniform. This provision shall not be applicable to normal wear and tear of the uniform, nor shall it be applicable to items of a personal nature (non-uniform clothing, jewelry, watches, wallets, eyeglasses, etc.). An employee shall give the damaged or destroyed uniform to a supervisor prior to being authorized replacement cost.
- D. An employee terminating from City service will retain uniform items. However, the City identification patches shall be removed by the employee and turned in to the appropriate Department Director or Division Manager.
- E. Optional Clothing - Hats are not a required item of the uniform except where the Division or Department requires safety hard hats. However, an employee who is not required to wear a safety helmet may purchase and wear a poplin brimmed hat of a color to blend with his/her uniform.
- F. Safety Boots - Employees whose position requires safety boots, per OSHA regulations, will be provided with one pair of safety boots per fiscal year. The City shall select the vendor and the quality of the boots to be provided. Safety boots will

be available on August 1st of each fiscal year. The maximum annual allowance for purchase of appropriate safety boots is \$225.00.

In cases where the nature of the employee's duty assignment causes exceptional wear, the Department Director may, in his/her sole discretion, authorize the replacement of one pair of safety boots or one pair of uniform issue shoes. In no case shall an employee receive more than three pairs of safety boots or one additional pair of uniform shoes in any 24-month period.

ARTICLE 23: HEALTH INSURANCE

A. MEDICAL INSURANCE

1. 2015-2016: Beginning the first eligible month after this MOU is approved by City Council, the City shall contribute an additional \$75.00 per month for medical contribution, i.e. from \$875 to \$950 per month.

2016-2017: Beginning July 1, 2016, the City shall contribute an additional \$50.00 per month for medical contribution, i.e. from \$950 to \$1000 per month.

Effective January 1, 2016, employees will receive insurance coverage through CalPERS under the California Public Employees Medical and Hospital Care Act (PEMCHA). The City's contribution toward medical insurance under PEMCHA will be the minimum employer contributions (MEC) required by PEMCHA (in 2016 the MEC is \$125/mo.). In addition to the MEC amount, the City will also ensure employees are allowed to use the monetary difference between the City contribution amounts set forth above and the MEC amount towards their health insurance premiums.

2. The City shall provide a \$300.00 payment per month for an employee who waives city-paid medical coverage and can provide proof that they are enrolled as a dependent on a non-City employee's health insurance plan. Enrollment onto, and withdrawal from, City-paid medical is subject to the medical provider's policies.
3. Should the cost of the minimum available "employee only" premium for medical insurance coverage exceed the medical insurance payment cap, the City shall pay the full amount of the "employee only" premium for coverage. The employee shall pay the amount of the insurance premium for dependent coverage that exceeds the medical insurance payment cap.
4. For bargaining unit members hired prior to January 1, 2016, the City agrees to pay \$355.00 toward the monthly premium of each retired employee who has retired under the Public Employees' Retirement System or the Massachusetts Mutual Retirement Plan. This shall be referred to as the "retired employee medical insurance payment cap." The City also agrees to pay the full cost, up to the retired employee medical insurance payment cap, of a retired employee's premium for the plan which supplements and coordinates with Medicare. Should the premium for the minimum available "retired employee only" premium for medical insurance exceed the retired employee medical insurance payment cap, the City shall pay the full amount of the "retired employee only" premium coverage. The retired employee shall pay the amount of the insurance premium for dependent coverage that exceeds the retired employee medical insurance payment cap.

- a. Effective January 1, 2007, the “retired employee medical insurance payment cap” for MMA retirees who retired with 20 or more years of service with the City shall be \$435.00 per month.

5. Retiree Medical Benefits Beginning January 1, 2016

- a. Employees who are hired into City service on or after January 1, 2016 will not be eligible for the City contribution set forth in Section A. 4 & 4a above. Instead these individuals will be eligible for medical insurance provided by PEMCHA and receive a City contribution equal to the MEC provided under PEMCHA.
- b. Those individuals who hired on or before December 31, 2015 will be eligible for medical insurance provided by PEMCHA and receive a City contribution equal to the MEC under PEMCHA. The City shall also make a monthly contribution to a retiree Health Reimbursement Account (HRA) for the difference between the MEC and the contribution amount set forth Section A.4 & 4a above. In the event the HRA system is not implemented, retirees will still be eligible to receive the difference between the MEC and the contribution amount set forth in Section A. 4 & 4a.

B. DENTAL INSURANCE

Beginning the first eligible month after this MOU is approved by City Council, the City shall pay a maximum total monthly amount up to \$65.00 toward the premium for dental insurance for each eligible employee and all eligible dependents. The employee shall pay the amount of the total insurance premium that exceeds \$65.00 per month.

Effective July 1, 2016, the City shall pay a maximum total monthly amount up to \$70.00 toward the premium for dental insurance for each eligible employee and all eligible dependents. The employee shall pay the amount of the total insurance premium that exceeds \$70.00 per month.

C. VISION INSURANCE

Employees covered under the provisions of this MOU shall be eligible for the City’s Vision insurance plan. Coverage shall be for the employee only and the City shall pay the full cost of the premium. The plan design shall be: examination, frame and lenses every 12 months. Deductible shall be \$10.00/exam and \$20.00/frame and lenses.

1. Effective January 1, 2008, an employee’s dependents are eligible for enrollment in the vision plan provided under this MOU. The City shall commence contribution of up to a maximum of \$20.00 per month for an employee’s vision coverage. Enrollment of dependents is voluntary, but if an employee elects to enroll dependents, then all eligible dependents must be enrolled (“eligible dependents” is defined as any and all dependents enrolled on an employee’s medical or dental plan).

D. LIFE INSURANCE

1. The City shall provide every employee with a \$50,000 life insurance policy.
2. Each employee may purchase additional insurance. Any premium cost for

the additional life insurance shall be paid solely by the employee. The City shall provide a program offered to employees which allows purchase of supplemental life insurance amounts in \$10,000 increments up to the lesser of \$300,000 or three (3) times the employee's salary.

E. LONG TERM DISABILITY INSURANCE

Effective July 1, 1991 the City shall pay the full premium for long term disability insurance.

ARTICLE 24: PERS CONTRIBUTION

- A. Effective October 1, 2011, all association members will pay 100% of the full 8% employee's share of the CalPERS retirement contribution.

ARTICLE 25: RETIREMENT BENEFITS

Association members shall be eligible for the following retirement benefits:

- A. For employees hired prior to the adoption of the CalPERS contract amendment in 2011, retirement benefits will be provided by a combination plan through the Public Employees' Retirement System (PERS) and the Massachusetts Mutual Life Insurance Company. Effective January 1, 2013, the City shall provide to newly hired employees, the PERS retirement formula known as 2% @ 62 with the average of the three (3) highest consecutive years of compensation. Employees hired prior to December 30, 2013, as determined by PEPPRA shall be considered classic PERS employees whose retirement formula is known as the "2.7% at Age 55 Plan.", one (1) year final compensation (12 highest paid consecutive highest months/Section 20042).
1. Retirement benefits for service on and after April 3, 1976 will be provided by the Public Employees' Retirement System, except for employees who were age 55 or over on April 3, 1976.
 2. Retirement benefits for service prior to April 3, 1976 will be provided by the Massachusetts Mutual Life Insurance Company. All employees who were age 55 or over on April 3, 1976 will be excluded from enrollment into the Public Employees' Retirement System and will receive retirement benefits for all approved service through Massachusetts Mutual Life Insurance Company.
- B. The 1959 Survivor's Benefit – Effective October 7, 2000, the City shall provide Level 4 Survivor's Benefit. Any resultant CalPERS cost increase designated as constituting "employee" costs for this benefit shall be borne by the employee.
- C. Credit for Unused Sick Leave (Government Code Section 20965.)

- D. One (1) year final compensation (Government Code Section 20042) for employees hired prior to January 1, 2013 and average of the three (3) consecutive highest years for employees hired after said date.
- E. Effective November 1, 2003, Military Service Credit as Public Service (Government Code Section 21024).
- F. Effective January 9, 2010, Pre-Retirement Option 2W Death Benefit.

ARTICLE 26: EDUCATIONAL ENROLLMENT
COST REIMBURSEMENT

- A. Effective July 1, 2015 educational costs shall be limited to two thousand five hundred dollars (\$2,500) annually per unit member for eligible reimbursement expenses as defined within this Article. Tuition fee reimbursement is established at California State University - Los Angeles rates. Enrollment cost reimbursement is subject to approval by both the Department Director and Director of Human Resources and Risk Management. In rendering a reimbursement determination, the Department Director and Director of Human Resources and Risk Management shall consider whether or not the course(s) for which reimbursement is sought is related to the employee's then existing principal duties and the availability of funds for reimbursement purposes. No employee shall be entitled to reimbursement unless pre-course enrollment written authorization for reimbursement is received from the Department Director and Director of Human Resources and Risk Management. The reimbursement eligibility determinations described herein are not subject to any administrative or judicial appeal procedure and the decision of the Department Director and Director of Human Resources and Risk Management shall be final.
- B. An employee must have completed their initial probationary period to be eligible for Educational Cost Reimbursement under this Article.
- C. An employee who separates from City service within 12 months of receiving educational cost reimbursement shall reimburse the City the full amount of educational cost reimbursement that he/she received in the preceding 12-month period.
- D. Educational cost reimbursement shall be provided for tuition fees for college-level courses in an accredited academic institution only, as determined by the Director of Human Resources and Risk Management.
- E. An employee will be reimbursed up to seventy-five dollars (\$75.00) for books required for six units or less, and two hundred dollars (\$200.00) for seven units or more taken during a semester (or equivalent enrollment period). Reimbursement shall only be for books required for the approved course(s). All requests for reimbursement shall be accompanied by valid receipts.

ARTICLE 27: SALARIES

A. Salaries of represented employees shall be adjusted in the following manner:

- a. Effective January 1, 2015, City Hall shall re-open Fridays as an 8 hour work day, implement a 9/80 work schedule and a 40 hour weekly work schedule will be restored.
- b. Current salary ranges for represented employees are reflected in Attachment A, and are incorporated herein by this reference.
- c. 2015-2016: There shall be no salary adjustment in the first year of the MOU. However, each unit member shall receive one lump sum payment equal to 3% of his/her current annual salary on the first pay period following City Council approval of the MOU.
- d. 2016-2017: If the below described economic threshold/fiscal safety net formula is achieved on December 15, 2016, as determined by the issued CAFR's Report, unit members shall receive a 3% retroactive cash payment for the months of July 2016 through December 2016 and a 3% salary adjustment forward beginning with the first pay period after January 1, 2017.
- e. If the economic threshold is not achieved, a 3% cash payment will be effective the first pay period after January 1, 2017 for the second year of the contract or the 12 months of July 2106 through June 2017.

B. Economic Threshold/Fiscal Safety Net Formula

1. Conditions

A. Permit & Impact Fee Condition

The City must receive \$700,000.00 or more in building permit and impact fees from any combination of five major projects that are identified in Addendum B and which are described as the AG Hotel, the Marriott Hotel, the Double Tree Hotel, the Market Place-Home Depot and the Towne Center. Fees from any other "New" or "Major" development will count towards the \$700,000 goal. ("New" development will be defined as a project submitted for entitlement after the City Council's approval of the proposed 2015-2017 MOU; "Major" development will be defined as any annual tax generating commercial project(s) of greater than 10,000 square feet that is projected to generate a net increase of \$100,000 annually for the City). The City must receive \$700,000.00 or more in building permit and impact fees from any combination of these five major projects or other "New" or "Major" developments as defined above

on or before December 15, 2016.

The projected building permit and impact fees that the City is expected to receive for each of the five projects is set forth in Addendum B and shall be referred to as the “Base Building Permit and Impact Fee” for each respective project. In the event the City Council approves a reduction of the “Base Building Permit and Impact Fee” for any of the five major projects, the City will calculate the percentage by which the “Base Building Permit and Impact Fee” was reduced. The single greatest percentage reduction, if any, for any of the five major projects shall then be applied to the \$700,000.00 “trigger.” For example, if the City Council approves a reduction of the “Base Building Permit and Impact Fee” for four of the projects by 5% and approves a reduction of the “Base Building Permit and Impact Fee” of the fifth project by 10%, a 10% reduction will be applied to the \$700,000.00 permit fee trigger, thus reducing the permit fee trigger to \$630,000.00.

B. Safety Net Condition

The combined negative variance (revenues are less than budget projections and/or expenditures exceed budget authorization) to the General Fund shall not exceed \$450,000.00 during fiscal year 2015-2016. Revenue measurement shall exclude one-time receivables such as state repayments, residual distributions, and revenues from permit fees. Expenditures shall exclude capital improvements, transfers out, and expenses related to the above Base Building Permit and Impact Fees. All other expenditures, such as a reduction in revenue and/or increase in expenditures due to state or federal action, natural disaster, liabilities, or other expenditures, shall be included in this calculation.

2. Impact of Conditions on Salary Increases

A. Conversion to Cash Payment

The above salary increases are conditional based on the “Base Building Permit and Impact Fee” and “Safety Net” conditions. If the conditions are not met, the respective salary increase will be converted to a lump sum cash payment based on the employee’s annual salary, as described above, unless the City grants a salary increase to other employees.

B. Effect of City Granting Salary Increases

Notwithstanding the conditions set forth above, if the City waives the economic threshold/fiscal safety net for the safety units in December 2015 through June 2016 and awards a 3% raise versus a scheduled lump sum cash payment, the economic threshold/fiscal safety net mechanism for the Service Employees’ International Union as outlined when the CAFR Report is issued in December 2016, the economic threshold/fiscal safety net formula would be removed from consideration and at the 18 month mark of the contract, or January 2017, SEIU members would receive a 3%

lump sum cash payment going back to July 1, 2016 and a 3% raise going forward starting the first payroll cycle in January 2017. This applies only to the second year of the contract at or around the first payroll cycle after January 1, 2017. The first year of the contract will reflect only a 3% lump sum cash payment regardless of other circumstances.

B. Effect of City Granting Salary Increases

Notwithstanding the conditions set forth above, if the City waives the economic threshold/fiscal safety net for the safety units in December 2015 through June 2016 and awards a 3% raise versus a scheduled lump sum cash payment, the economic threshold/fiscal safety net mechanism for the Mid-Management Association as outlined when the CAFR Report is issued in December 2016, the economic threshold/fiscal safety net formula would be removed from consideration and at the 18 month mark of the contract, or January 2017, the Mid-Management Association members would receive a 3% lump sum cash payment retroactively to July 1, 2016 and a 3% raise going forward starting the first payroll cycle in January 2017. This applies only to the second year of the contract at or around the first payroll cycle after January 1, 2017. The first year of the contract will reflect only a 3% lump sum cash payment regardless of other circumstances.

C. 10 STEP SYSTEM

There shall be approximately 2.5% between each step of steps 1 through 9 and approximately 5% between steps 9 and 10. Advancement within the ten-step salary range shall be subject to the terms and conditions as set forth herein:

1. Except as modified herein, all other existing rules governing salary step increases and performance ratings shall remain as provided for in Municipal Code Chapter 2.36.050 - Step Increase and 2.36.060 - Performance Rating System for Employees.
2. Municipal Code Section 2.36.050 (6), Step Increase, based upon prior practices, shall be interpreted as follows: Any employee receiving an unsatisfactory rating report under the performance rating system set forth in Section 2.36.060 shall be rated once each calendar month thereafter. The receipt by any employee of three consecutive unsatisfactory performance ratings shall be grounds for disciplinary action up to and including dismissal.
3. Advancement between steps may occur at intervals of no less than one year. Recommendations for step increases or denial of step increases must be accompanied by a performance evaluation to substantiate performance. No multiple step increases may be granted. Performance evaluations and consideration of merit adjustments shall be due annually on the employee's anniversary of the probationary appointment to his/her position classification. Nothing in this Article shall prevent a supervisor from exercising

management rights to suspend, reduce, demote, layoff, or terminate for cause an employee in accordance with City Personnel Rule XIII - Changes in Employment Status, or Rule XIV - Separation from Service, or Rule XV - Disciplinary Proceedings.

4. Advancement from step 1 through step 5 shall be contingent upon receiving "meets standards" performance evaluations or better. Advancement above step 5 and through step 9 shall be contingent upon receiving "exceeds standards" performance evaluations or better.
 5. Advancement to step 10 is both temporary and conditional upon achieving "outstanding" performance as determined by rules set forth by the City Manager. Sustained placement at step 10 of the range is not guaranteed, but must be earned on an annual basis. Failure to achieve "outstanding" performance ratings in a succeeding year shall result in the employee's salary being returned to step 9.
 6. Step 10 Changes: If the step 10 policy is revised with any other general employee association, the MMA shall share the results of those revisions.
- E. Longevity Pay: Effective the first full pay period after July 1, 2015, each unit member who has 25 years or more of continuous service with the City shall receive longevity pay of \$200.00 per month. Longevity Pay shall be included in the first pay period each month.
- F. Physical Well-Being Allowance: Effective the first full pay period after July 1, 2015, the City shall pay each unit member \$20.00 per month as a Physical Well-Being Allowance or reimbursement for the unit member's enrollment, membership or participation in gym memberships, recreational activity classes, weight loss programs, etc. The unit member must provide proof of enrollment, membership or participation in such classes or programs by producing receipts or invoices, which shall be approved by the Department Director and Director of Human Resources and Risk Management before reimbursement will be issued.
- G. Educational/Certification Pay: Effective the first full pay period after July 1, 2015, the City shall make a payment to each unit member as Educational Incentive Pay in the following amounts:
- a. \$30.00 per month for Associate's degree from an accredited educational university;
 - b. \$60.00 per month for Bachelor's degree from an accredited educational university;
 - c. \$120 per month for a Master's degree from an accredited educational

university;

d. \$50.00 per month for a Certified Municipal Clerk Certification;

e. \$50.00 per month for a Public Works Certificate through Citrus College;

f. \$120.00 per month for License for Agriculture Pest Control Advisor;

g. \$60.00 per month for Water DHS Certification for each certificate below level 3 either in distribution and/or treatment, and \$70.00 per month for each certification level 3 or higher in either distribution and/or treatment [up to four certifications total of any level of either distribution or treatment or any combination thereof];

h. \$50.00 per month for an Arborist License/Certificate.

All degrees, licenses, certificates and/or certifications shall be reviewed and approved by the Department Director and Director of Human Resources and Risk Management before the Educational/Certification Pay will be issued.

Each unit member is only eligible for the highest compensable Educational/Certification Pay, unless clearly noted. The foregoing items, including the Auto Mechanic Certification Pay below, shall not be stacked or compiled such that the unit member is receiving multiple Educational/Certification pays. For example, if a unit member is receiving \$120.00 per month for a License for Agriculture Pest Control Advisor, he/she is not also entitled to a \$30.00 per month payment for an Associate Degree. His/her Educational/Certification Pay shall be capped at \$120.00 per month which reflects one Educational/Certification Pay.

H. Auto Mechanic Certification Pay:

1. The Equipment Maintenance Supervisor will be eligible for certification premium in the amount of \$40.00 per month for each ASE Automotive/Light Truck Certification up to a maximum of two (2) such certifications. The maximum certification pay under this subsection 1 is limited to \$80.00 per month.
2. Upon receipt by the Equipment Maintenance Supervisor of certification as an ASE-Certified "Master Automotive Technician," in lieu of the premium indicated in subsection 1 above, the individual so certified shall be eligible for certification premium in the amount of \$120.00 per month.

I. First Responder Standby - Qualified non-exempt employees of the Public Works Department or Parks Division of the Recreation & Parks Department may be

assigned, at the discretion of the City, as First Responder Standby for after-hours emergency response. In addition to any additional reporting procedures established by the City, the following provisions shall apply to any individual assigned to First Responder Standby status:

1. First Responder Standby duty shall be assigned to no more than three (3) individuals City-wide (one of which shall be fully qualified to respond to water distribution incidents and one to water production incidents) for a period of seven (7) calendar days. The First Responder Standby schedule shall be determined at the sole discretion of the City.
2. An individual so assigned shall be compensated at the rate of \$25.00 per weekday (0001 hrs. Monday through 2400 hrs. Thursday) and \$45.00 per weekend day (0001 hrs. Friday through 2400 Sunday).
3. Should an employee be assigned First Responder Standby status on a City designated holiday (defined as the actual date of holiday), compensation shall be at the rate of \$50.00 per holiday.
4. While on First Responder Standby status, the assigned employee shall: carry a City provided cell phone and lap-top computer (if applicable); respond via telephone within five (5) minutes to any phone call; and report fit-for-duty to the incident site within 25 minutes (no later than 45 minutes) following receipt of call-out information (or, if applicable, correct problem via computer). Failure to abide by the provisions of this subsection 4 will result in forfeiture of stand-by compensation for that 24-hour period and may result in removal from standby assignment and/or disciplinary action.
5. To be eligible for First Responder Standby assignment, an individual must be certified by the Public Works Maintenance Manager, Water Utility Manager and Parks Superintendent as:
 - a. Having adequate knowledge of: traffic control protocols; sewer, water and irrigation systems; and operation of designated equipment to effectively perform as a First Responder to after-hours emergency situations; and,
 - b. Residing in a geographic location that allows for a response time as designated in subsection 4 above.
6. The parties mutually agree that this program shall be formally evaluated annually. Said evaluation will include evaluation of the effectiveness of the program and such measurements as: a review of number of call-outs, response time, type of calls, ability of first responder to clear call without additional support, time to clear call, number of calls for additional support, response time for support personnel and any other measurements determined

appropriate by the City.

7. The Association specifically acknowledges that the City maintains the sole and exclusive right to assign personnel to First Responder Standby and to determine the need for such assignment. Nothing contained in this Article 27, shall create a duty upon the City to assign individuals to First Responder Standby nor shall any individual have a right to be so assigned. The City agrees to meet and consult with the Association prior to any modification or termination of the First Responder Standby program.

ARTICLE 28: PROBATIONARY PERIOD

Employees who are newly hired or promoted shall serve a probationary period of twelve (12) months.

ARTICLE 29: DUTY HOURS/ALTERNATIVE SCHEDULE

Except as modified herein, duty hours shall be governed by Personnel Rule XI, Attendance and Leaves, Sec. 5, Hours of Work, of the Personnel Rules and Regulations of the City of Monterey Park, which is outlined as follows:

- A. Effective January 1, 2015, City Hall shall re-open Fridays as an 8 hour work day, implement a 9/80 work schedule and a 40 hour weekly work schedule will be restored.
- B. Any such assignments shall be based upon the needs of the Department and will be made at the sole discretion of the Department Director subject to approval of the City Manager.
- C. Department Directors shall have full latitude and authority to establish and/or change any individual's schedule depending on the needs of the Department.
- D. "Holidays" are defined as nine (9) hours in duration or if a holiday lands on a Friday, Saturday or Sunday the employees holiday bank shall be credited eight (8) hours..
- E. An employee will be required to utilize the exact number of hours associated with their schedule for any requested work shifts off (i.e., 9 hours for vacation, compensatory, sick, and/or holiday time).
- F. Individual employees may request to maintain a 5/40 schedule (i.e., Monday - Friday). The decision of the Department Director to grant or deny such a request is not subject to appeal or further review.

ARTICLE 30: DEFERRED COMPENSATION PLAN

A deferred compensation plan will be made available to all members of the City of Monterey Park Mid-Management Association.

ARTICLE 31: PERSONNEL RULES AND REGULATIONS

During the term of this agreement, both parties agree to meet and confer on the content and implementation of new and/or revised Personnel Rules and Regulations as needed.

The parties have met and conferred on the City's Layoff Policy and Alcohol and Drug Abuse Testing Policy. The parties agree that the City will implement both policies as administrative regulations. Upon completion of the Personnel Rules and Regulations, the above administrative regulations shall become part of the City Personnel Rules and Regulations. The parties agree that the above policies are not subject to meeting and conferring during the meet and confer session on the city Personnel Rules and Regulations.

ARTICLE 32: INDUSTRIAL INJURY

All full time employees shall be allowed for each injury or illness, normal salary for the first day of absence to, and including, the last day of absence for a period not to exceed 120 calendar days that occur within a 36 month period.

If the employee is still receiving temporary disability payments after entitlement to industrial injury or illness leave is exhausted, the employee shall be placed on regular sick leave, vacation leave, or accumulated compensatory time off. While Temporarily Totally Disabled (TTD), the employee shall be entitled to use only so much of such other leave benefits (i.e. sick, vacation, comp, etc.), which, when added to temporary disability payments, provide for a normal full day's wage or salary.

However, regardless of an employee being in receipt of benefits pursuant to Labor Code Section 4650 et. seq., the City shall be authorized to make application for said employee's disability retirement in those instances where the employee is either permanent, stationary and incapacitated for the performance of his or her duties, or in the alternative, where there is not a reasonable medical certainty that the employee, although not permanent and stationary, will recover to the extent necessary to perform the essential duties of his/her position regardless of whether or not any form of paid leave remains in the employee's various paid leave accounts.

During the time frame that an employee is on full paid leave, the employee shall continue to accrue all fringe benefits with the exception of holidays.

Nothing herein shall prohibit an employee from requesting a leave of absence without pay from the City Council. Such leave is not guaranteed nor may it exceed beyond a period of one (1) year from date of injury.

The granting of industrial injury and illness leave may be withheld until the City has accepted the injury or illness as being an industrial accident or a compensable injury.

ARTICLE 33: UNIT DETERMINATION AND MODIFICATION

A. Policy and Standards for Determination of Appropriate Units

The policy objectives in determining the appropriateness of units shall regard the effect of a proposed unit on: (1) efficient operations of the City and its compatibility with the primary responsibility of the City and its employees to effectively and economically serve the public, and on (2) providing employees with effective representation based on recognized community of interest considerations. These policy objectives require that the appropriate unit shall be the broadest feasible grouping of positions that share an identifiable community of interest. Factors to be considered shall be:

1. Similarity of the general kinds of work performed, types of qualifications required, and the general working conditions.
2. History of representation in the City and in similar employment; except however, that no unit shall be deemed to be an appropriate unit solely on the basis of the extent to which employees in the proposed unit have organized.
3. Consistency with the organizational patterns of the City.
4. Number of employees and classifications, and the effect on the administration of employer-employee relations because of the fragmentation of classifications and/or proliferation of units.
5. Effect on the classification structure and impact on the stability of the employer-employee relationship because of dividing a single or related classification among two or more units.

Notwithstanding the foregoing provisions of this Section, managerial, supervisory and confidential responsibilities, as defined in this Section, are determinative factors in establishing appropriate units hereunder. Therefore, such managerial, supervisory and confidential employees may not represent any employee organization that represents other employees and may not be represented by the same.

The Director of Human Resources and Risk Management shall, after notice to and consultation with affected employee organizations, allocate new classifications or positions, delete eliminated classifications or position, and retain, reallocate or delete modified classifications or positions, from units in accordance with the provisions of this Section.

The following definitions apply to this Section:

1. "Appropriate Unit" means a unit of employee classes or positions, established pursuant to this Section.
2. "Management Employee" means any employee having responsibility for formulating, administering or managing the implementation of City policies and programs.
3. "Supervisory Employee" means any employee having authority, in the interest of the City, to hire, suspend, layoff, recall, promote, discharge, assign, reward, or discipline other employees, or responsibility to direct them, or to adjust their grievances, or effectively to recommend such action if, in connection with the forgoing, the exercise of such authority is not of a merely routine or clerical nature, but requires the use of independent judgment.
4. "Confidential Employee" means any employee who assists and acts in a confidential capacity to person(s) who formulate, determine, and effectuate management policies in the field of employee relations and/or who has access in the course and scope of employment to any information that is or may be utilized in formulating such management policies.

B. Procedure for Modification of Established Appropriate Units

1. Requests by employee organizations for modification of established appropriate units shall be considered by the Director of Human Resources and Risk Management. Such requests shall be submitted in the form of a Recognition Petition and, in addition to the requirements set forth in Municipal Code Section 2.32.050, shall contain a complete statement of all relevant facts and citations in support of the proposed modified unit in terms of the policies and standards set forth in Section A of this Article. Any Association request for modification to its unit shall be limited to a two (2) week window period annually to be determined by the Director of Human Resources and Risk Management with reasonable notice to the Association. The Director of Human Resources and Risk Management shall process such petition as recognition petitions are processed under this Chapter.
2. The Director of Human Resources and Risk Management may, on his/her own motion, propose that an established unit be modified. The Director of Human Resources and Risk Management shall give written notice of the proposed modification(s) to any affected employee organization. Any affected employee organization may, within seven (7) calendar days after service of notice, request a meeting with the Director of Human Resources and Risk Management by which to contest the proposal(s). Not later than seven (7) calendar days after receipt of such request, the Director of Human Resources and Risk Management shall conduct such meeting at which time all affected employee organizations shall be heard. Thereafter, the Director of Human Resources and Risk Management shall determine the composition

of the appropriate unit or units in accordance with Section A of this Article, and shall give written notice of such determination by depositing the same in the mail, addressed to the affected employee organizations. The Director of Human Resources and Risk Management's determination may be appealed as provided in paragraph 3 of this Section. However, if a unit is modified pursuant to the motion of the Director of Human Resources and Risk Management, employee organizations may thereafter file Recognition Petitions seeking to become the Exclusively Recognized Employee Organization for such new appropriate unit or units pursuant to Section 2.32.050 of the Municipal Code.

The "meeting" described herein shall be informal and shall consist of the participating employee organization providing verbal and/or written input regarding its position.

3. Appeals

An employee organization aggrieved by an appropriate unit determination of the Director of Human Resources and Risk Management pursuant to this Section may, within ten (10) calendar days of mailing by the Director of Human Resources and Risk Management of notice thereof, appeal such determination to the City Manager for final decision.

Appeals to the City Manager shall be filed in writing with the City Manager's Secretary and a copy shall be provided to the Director of Human Resources and Risk Management by the appellant. The written appeal shall be received by the City Manager's Secretary no later than ten (10) calendar days after the Director of Human Resources and Risk Management's decision was mailed.

A unit designated by the Director of Human Resources and Risk Management need not be "most appropriate," or "more appropriate," but need only be "appropriate." If "appropriate," then the City Manager shall affirm the decision of the Director of Human Resources and Risk Management. If not "appropriate," then the City Manager shall determine which unit is "appropriate."

An employee organization's appeal shall state the complete basis for the appeal and shall be confined to a determination of whether or not the unit resulting from the Director of Human Resources and Risk Management's decision was "appropriate" pursuant to the guidelines of Paragraph 1, above. The City Manager shall conduct the appeal hearing within fifteen (15) calendar days of receipt of the appeal and shall issue his/her written decision within fifteen (15) calendar days after conclusion of the hearing. The City Manager's decision shall be served upon the appellant(s) by depositing the same in the U.S. mail, and shall be administratively final and binding.

- 4 To the extent that any element of this Section is inconsistent with any other provision of this Chapter, the provisions of this Section shall prevail to the extent necessary to cause the Section to be operative.
- 5 Subsequent to this agreement, should the City and another association adopt a version of this Article 33 of the MOU that is different than that adopted by the City and the Association, the Association has the right to negotiate and adopt any such changes limited to this Article 33 and include them in this MOU.

ARTICLE 34: WRITTEN NOTICES TO THE ASSOCIATION

The City agrees to give written notice to the Association of all meetings of the City Council and/or the Personnel Board that would cover any terms or conditions of any employee covered by the terms of the Memorandum. Said notice will be delivered to either an employee representative or other member of the employee group within a reasonable period of time prior to any such meeting.

ARTICLE 35: GENERAL PROVISIONS

- A. This Memorandum shall not in any way interfere with the obligations of the parties hereto to comply with the State and Federal laws, or of any rule, regulation, or order issued by such government authority pertaining to matters covered herein. If any provision, or provisions, of the Memorandum should be affected by State or Federal laws, or of any rule, regulation, or order issued by such governmental authority, or if any provision, or provisions, should be held invalid by a court of record, the remainder of the Memorandum shall not otherwise be affected thereby.
- B. The parties acknowledge that during the meeting and conferring in good faith, which resulted in this Memorandum, each had the unlimited right and opportunity to make demands and proposals with respect to any and all subjects or matters not removed by law from the area of meeting and conferring, and that the understanding and agreement arrived at by the parties after the exercise of that right and opportunity is set forth in this Memorandum.

Therefore, the City and the Association, for the life of this Memorandum, each voluntarily unqualifiedly waives the right, and each agrees, that the other party shall not be obligated to meet and confer with respect to any subject or matter referred to or covered in this Memorandum, or with respect to any subject or matter not specifically referred to or covered in this Memorandum, even though such subjects or matters may not have been within the knowledge or contemplation of either or both of the parties at the time they met and conferred or signed this Memorandum.

- C. The parties hereto agree to continue their long-standing policies in that there shall be no discrimination against any employee because of membership or non-membership in the Recognized Employee Organization, or because of race, color, creed, national origin, age, gender, legal disability, marital status, sexual orientation and political/union activity, provided that said provisions shall not result in the creation of more broad benefits than presently provided to unit members, nor shall said provisions result in additional funding of benefits.
- D. The parties hereto agree that this Memorandum cannot be modified, changed, and/or canceled in any way except by mutual consent of said parties in writing, or as set forth in Article 36.
- E. Subject to the agreements reflected in Side Letters #1- #4, incorporated by reference as Attachment B, this agreement constitutes the sole and entire existing agreement between the parties and supersedes all prior agreements, commitments, and practices.

ARTICLE 36: REOPENER

The parties agree to meet to discuss the specific details of the Wellness Program to defined more the program by the beginning of the 2016-2017 fiscal year.

ARTICLE 37: TERM OF MEMORANDUM OF UNDERSTANDING

The Memorandum of Understanding shall be in effect for a basic term commencing July 1, 2015 – June 30, 2017 and shall continue in effect from year-to-year thereafter, unless or until terminated. This Memorandum may be terminated as of the end of the initial term or any subsequent contract period by either party giving written notice to the other not less than sixty (60) calendar days prior to the termination date. Any amendment to this Memorandum, in order to be effective at the end of the basic term or any subsequent term, may be proposed by either party in a letter given to the other party at least sixty (60) calendar days prior to the end of the basic term, or subsequent term, and a conference shall be held within thirty (30) calendar days following the receipt of such notice. During such meeting-and-conferring, the Articles of the Memorandum shall continue in effect.

ARTICLE 38: CITY COUNCIL APPROVAL

It is, however, the mutual understanding of all parties hereto that this Memorandum of Understanding is of no force or effect whatsoever unless or until ratified by the City Council of the City of Monterey Park.

ADDENDUM A

MID-MANAGEMENT 2015-2017 SALARY TABLE

Effective 10/01/2012

Job Classification	Range	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
Assistant City Engineer	12	8,953	9,177	9,406	9,641	9,882	10,129	10,383	10,642	10,908	11,454
Building Official	8	7,892	8,089	8,291	8,498	8,711	8,929	9,152	9,381	9,615	10,096
Building Trades Supervisor	1	5,692	5,834	5,980	6,130	6,283	6,440	6,601	6,766	6,935	7,282
Civil Engineering Associate	11	6,463	6,625	6,790	6,960	7,134	7,313	7,495	7,683	7,875	8,269
Consumer Services Supervisor	2.5	6,070	6,221	6,377	6,536	6,700	6,867	7,039	7,215	7,395	7,765
Deputy City Clerk	3	6,182	6,336	6,495	6,657	6,823	6,994	7,169	7,348	7,532	7,908
Deputy Fire Marshal	13	5,794	5,939	6,087	6,240	6,395	6,555	6,719	6,887	7,059	7,412
Equipment Maintenance Supervisor	1	5,692	5,834	5,980	6,130	6,283	6,440	6,601	6,766	6,935	7,282
Housing Program & Grant Admin Coord	4	6,462	6,624	6,789	6,959	7,133	7,311	7,494	7,682	7,874	8,267
Literacy Program Administrator	1	5,692	5,834	5,980	6,130	6,283	6,440	6,601	6,766	6,935	7,282
Parks Superintendent	3	6,182	6,336	6,495	6,657	6,823	6,994	7,169	7,348	7,532	7,908
Park Supervisor	1	5,692	5,834	5,980	6,130	6,283	6,440	6,601	6,766	6,935	7,282
Planning Manager	9	8,563	8,777	8,997	9,221	9,452	9,688	9,931	10,179	10,433	10,955
Police Records/Dispatch Comm Manager	6	7,102	7,280	7,462	7,648	7,839	8,035	8,236	8,442	8,653	9,086
Principal Management Analyst	4	6,462	6,624	6,789	6,959	7,133	7,311	7,494	7,682	7,874	8,267
Public Works Maintenance Manager	7	7,481	7,668	7,859	8,056	8,257	8,464	8,675	8,892	9,114	9,570
Public Works Maintenance Supervisor	1	5,692	5,834	5,980	6,130	6,283	6,440	6,601	6,766	6,935	7,282
Recreation Superintendent	3	6,182	6,336	6,495	6,657	6,823	6,994	7,169	7,348	7,532	7,908
Recreation Superintendent/Senior Center	3	6,182	6,336	6,495	6,657	6,823	6,994	7,169	7,348	7,532	7,908
Recreation Supervisor	1	5,692	5,834	5,980	6,130	6,283	6,440	6,601	6,766	6,935	7,282
Redevelopment Project Manager	5	6,775	6,944	7,118	7,295	7,478	7,665	7,856	8,053	8,254	8,667
Senior Accountant	3	6,182	6,336	6,495	6,657	6,823	6,994	7,169	7,348	7,532	7,908
Senior Librarian	1	5,692	5,834	5,980	6,130	6,283	6,440	6,601	6,766	6,935	7,282
Special Events Manager	2	5,927	6,075	6,227	6,383	6,542	6,706	6,873	7,045	7,221	7,582
Support Services Manager	6.5	7,215	7,396	7,581	7,770	7,964	8,163	8,367	8,577	8,791	9,231
Transportation Program Manager	3	6,182	6,336	6,495	6,657	6,823	6,994	7,169	7,348	7,532	7,908
Water Distribution Supervisor	2.5	6,070	6,221	6,377	6,536	6,700	6,867	7,039	7,215	7,395	7,765
Water Production Supervisor	2.5	6,070	6,221	6,377	6,536	6,700	6,867	7,039	7,215	7,395	7,765
Water Utility Manager	8.5	8,483	8,695	8,912	9,135	9,363	9,597	9,837	10,083	10,335	10,852



ADDENDUM B

Memorandum

DATE: June 4, 2014

TO: Tom Cody, Director of Human Resources and Risk Management

FROM: Michael A. Huntley, Director of Community and Economic Development

RE: Major Project Schedule and Potential Building Permit Revenue

The following information is intended to provide the best estimation of projected Building Permit revenue for the five most significant projects currently being processed by the City. These five projects were selected since they will not only generate Building Permit revenue, but also potential property tax, sales tax and transient occupancy tax revenue to the city. It should be noted that some of the projects may generate one or more of the taxes mentioned above. Attached to this memorandum is a Project Schedule that identifies the projected timing of each project based on the most recently information provided by the applicants.

AG HOTEL

Hotel-Type 1-A/1-B@ \$200 per Sq. Ft. x 91,257 Sq. Ft. = \$18,251,400.00
Restaurant-Type 1-A/1-B@ \$200 per Sq. Ft. x 12,658 Sq. Ft. = \$2,531,600.00
Apartments-Type 111-BN-B Masonry@ \$130 per Sq. Ft. x 86,982 Sq. Ft. = \$11,307,660.00
Retail-Type 1-A/1-B@ \$180 per Sq. Ft. x 1,488 Sq. Ft. = \$267,840.00
Parking -Type 1-A/1-B @ \$75 per Sq. Ft. x 100,000 Sq. Ft. = \$7,500,000.00
Residential Air Condition Equipment Valuation@ \$3.50 per Sq. Ft. x 178,239 Sq. Ft. = \$623,836.50
Commercial Air Condition Equipment Valuation @ \$4.50 per Sq. Ft. x 14,146 Sq. Ft. = \$63,657.00
Fire Sprinkler Equipment Valuation @ \$3.00 per Sq. Ft. x 292,385 Sq. Ft. = \$877,155.00
Total Building Valuation: \$41,423,148.50

Building Permit Fee: \$456,297.00 (Based on the Building Valuation above)

Strong Motion Tax: \$8,698.86
State Green Fee: \$1,657.00
Records Management Fees: \$41,423.15
General Plan Revision: \$82,846.30
Safety Impact: \$446,333.20
Park Fee: \$192,385.00
Total: \$1,229,640.51

MARRIOTT HOTEL

Hotel-Type 1-A/1-B@ \$200 per Sq. Ft. x 180,000 Sq. Ft. = \$36,000,000.00
Restaurant-Type 1-A/1-B@ \$200 per Sq. Ft. x 12,000 Sq. Ft. = \$2,400,000.00
Retail-Type 1-A/1-B@ \$180 per Sq. Ft. x 6,400 Sq. Ft. = \$1,152,000.00
Parking-Type 1-A/1-B@ \$75 per Sq. Ft. x 100,000 Sq. Ft. = \$7,500,000.00
Residential Air Condition Equipment Valuation@ \$3.50 per Sq. Ft. x 180,000 Sq. Ft. = \$630,000.00
Commercial Air Condition Equipment Valuation @ \$4.50 per Sq. Ft. x 18,400 Sq. Ft. = \$82,800.00
Fire Sprinkler Equipment Valuation @ \$3.00 per Sq. Ft. x 298,400 Sq. Ft. = \$895,200.00
Total Building Valuation: \$48,660,000.00

ADDENDUM B

Building Permit Fee: \$583,733.00 (Based on Building Valuation above)

Strong Motion Tax: \$10,218.60
State Green Fee: \$1,947.00
Records Management Fees: \$48,660.00
General Plan Revision: \$97,320.00
Safety Impact: \$460,288.00
Park Fee: \$198,400.00
Total: \$1,400,566.60

DOUBLE TREE HOTEL

Hotel-Type 1-A/1-8 @ \$200 per Sq. Ft. x 98,000 Sq. Ft. = \$19,600,000.00
Restaurant-Type 1-A/1-8 @ \$200 per Sq. Ft. x 3,500 Sq. Ft. = \$700,000.00
Retail-Type 1-A/1-8 @ \$180 per Sq. Ft. x 1,500 Sq. Ft. = \$270,000.00
Parking-Type 1-A/1-8 @ \$75 per Sq. Ft. x 100,000 Sq. Ft. = \$7,500,000.00
Residential Air Condition Equipment Valuation@ \$3.50 per Sq. Ft. x 98,000 Sq. Ft. = \$343,000.00
Commercial Air Condition Equipment Valuation@ \$4.50 per Sq. Ft. x 5,000 Sq. Ft. = \$22,500.00
Fire Sprinkler Equipment Valuation@ \$3.00 per Sq. Ft. x 203,000 Sq. Ft. = \$609,000.00
Total Building Valuation: \$29,044,500.00

Building Permit: \$352,608.00 (Based on Building Valuation above)

Strong Motion Tax: \$6,099.35
State Green Fee: \$1,162.00
Records Management Fees: \$29,044.50
General Plan Revision: \$58,089.00
Safety Impact: \$238,960.00
Park Fee: \$103,000.00
Total: \$1,027,922.85

Market Place - HOME DEPOT (based on a previous estimate from 2012)

Retail-Type 1-A/1-8@ \$180 per Sq. Ft. x 107,571 Sq. Ft. = \$19,362,780.00
Commercial Air Condition Equipment Valuation@ \$4.50 per Sq. Ft. x 107,571 Sq. Ft. = \$484,069.50
Fire Sprinkler Equipment Valuation@ \$3.00 per Sq. Ft. x 135,682 Sq. Ft. = \$407,046.00
Garden Center-Type V@ \$130 per Sq. Ft. x 28,111 Sq. Ft. = \$3,654,430.00
Total Building Valuation: \$21,756,905.50

Building Permit Fee: \$320,889.00 (Based on Building Valuation above)

Strong Motion Tax: \$5,698.45
State Green Fee: \$1,086.00
Records Management Fees: \$27,135.46
General Plan Revision: \$54,270.91
Safety Impact: \$314,712.64
Park Fee: \$135,652.00
Total: \$859,426.46

Note: The Market Place is an entitled 500,000 square foot regionally commercial shopping center including three development phases and numerous commercial, retail, service and restaurant uses. The Home Depot was selected because it is the major anchor for the new commercial shopping center; is committed to locate at the center; and is the farthest along with conceptual construction plans.

ADDENDUM B

TOWNE CENTER (based on previously built fees from original time of application)

Residential Component:

Apartments- Type 1-A/1-8@ \$150 per Sq. Ft. x 142,050 Sq. Ft. = \$21,307,500.00
Residential Air Condition Equipment Valuation @ \$3.50 per Sq. Ft. x 142,050 Sq. Ft. = \$497,175.00
Fire Sprinkler Equipment Valuation@ \$3.00 per Sq. Ft. x 142,050 Sq. Ft. = \$426,150.00
Swimming Pools- Residential Pool@ \$70 per Sq. Ft. x 450Sq. Ft. = \$31,500.00
Total Building Valuation: \$22,262,325.00

Building Permit Fee: \$268,406.00
Strong Motion Tax: \$2,226.23
State Green Fee: \$891.00
Records Management Fees: \$22,262.33
General Plan Revision: \$44,524.65
Safety Impact: \$329,556.00
Park Fee: \$76,300.00
Total: \$744,166.21

Commercial Component:

Retail-Type I or II F.R. @ \$140 per Sq. Ft. x 78,583 Sq. Ft. = \$11,001,620.00
Parking- Type I or II F.R. @ \$50 per Sq. Ft. x 249,772 Sq. Ft. = \$12,488,600.00
Commercial Air Condition Equipment Valuation @ \$4.50 per Sq. Ft. x 78,583 Sq. Ft. = \$353,623.50
Fire Sprinkler Equipment Valuation@ \$3.00 per Sq. Ft. x 328,355 Sq. Ft. = \$985,065.00
Total Building Valuation: \$24,828,908.50

Building Permit Fee: \$134,585.00
Strong Motion Tax: \$5,214.07
State Green Fee: N/A
Records Management Fees: \$24,828.91
General Plan Revision: \$49,657.82
Safety Impact: \$173,668.43
Park Fee: \$78,583.00
Total: \$466,537.23

Note: All of the above fee estimates are only for Building Permit and mandated impact fees. Electrical, Mechanical and Plumbing Permit and Plan Check fees are not included since they are based on a fixture count. All other City plan check/permit fees (e.g., Water Division, Public Works Department, Fire Department etc.), impact fees and outside agency fees are also not included in this estimate because they assess their fees individually as separate departments/agencies based on their review.

Project Time Line and Revenue Generation

Summary: The following information is intended to provide the best estimation of when the following five projects will obtain Building Permits and the estimated revenue the projects will generate at the time the permit is issued. These five projects were selected since they will not only generate Building Permit fees, but increase property tax, sales tax, transient occupancy tax revenue to the city. It should be noted that some of the projects may generate one or more of the taxes mentioned above.

AG Hotel- 808 Garvey Avenue

Entitlement Approval- May 2014 **(Approved)**

Construction Drawing Plan Check Submittal: January 2015 (8 months from Entitlement Approval)

Plan Check Processing -July 2015 (6 months for processing)

Building Permit Issuance- July 2015

Double Tree Hotel – 220 N. Atlantic Boulevard

Entitlement Approval- September 2014 **(Pending)**

Construction Drawing Plan Check Submittal: May 2015 (8 months from Entitlement Approval)

Plan Check Processing- November 2015 (6 months for processing)

Building Permit Issuance- November 2015

Marriott Hotel- 521 N. Atlantic Boulevard

Entitlement Approval- October 2014 **(Pending)**

Construction Drawing Plan Check Submittal: June 2015 (8 months from Entitlement Approval)

Plan Check Processing- December 2015 (6 months for processing)

Building Permit Issuance- December 2015

Monterey Market Place (Home Depot)

Entitlement Approval – 2013 **(Approved)**

Construction Drawing Plan Check Submittal: May 2015 (8 months from closing escrow on the property)

Plan Check Processing – November 2015 (6 months for processing)

Building Permit Issuance- November 2015

Monterey Park Towne Centre

Entitlement Approval- 2013 **(Approved)**

Construction Drawing Plan Check Submittal: December 2014

Plan Check Processing -June 2015 (6 months for processing)

Building Permit Issuance- June 2015

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IN WITNESS HEREOF, the parties hereto have caused this Memorandum of Understanding to be executed this 7th day of October, 2015.


**MONTEREY PARK MID-MANAGEMENT
ASSOCIATION**


By: 
Tim Shay, MMA President

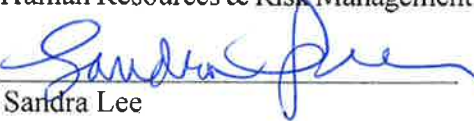
By: _____
Chris Arriola, Vice-President

By: 
Cesar Vega, Member-at-large

CITY OF MONTEREY PARK

By: 
Paul Talbot
City Manager

By: 
Tom Cody, Director
Human Resources & Risk Management

By: 
Sandra Lee
Human Resources Analyst